



United States
Department of
Agriculture

Food and
Nutrition
Service

Mountain
Plains
Region

1244 Speer Boulevard
Denver, CO 80204

Reply to
Attn. of:

CACFP-285

MAR 11 1992

Subject:

Withholding of Provider Reimbursement by Sponsoring Organizations (SOs)

To:

STATE AGENCY DIRECTORS
(Special Nutrition Programs)

- Colorado DH, Iowa, Kansas, Missouri DH,
Montana DHES, Nebraska ED, North Dakota,
South Dakota, Utah and Wyoming ED

A question has developed concerning SOs withholding provider(s) reimbursement because of failure to attend required training sessions.

It is inappropriate for SOs to withhold provider payments in the situation listed above. In addition to the requirements found in Section 226.16(g) which require sponsors to pass reimbursement through to homes within 5 days, an even more compelling reason would be that the provider(s) in question have presumably earned the reimbursement by having served meals which meet meal patterns, kept required records, and so forth.

Refusal of a provider to attend required Program training sessions is a violation of the provider's agreement with the sponsor and, therefore, can be sufficient cause for a sponsor's termination of such a provider under Section 226.18(b)(8). Our only caution in this regard is that any such terminations be carried out only after reasonable accommodations have been made by the sponsor to make training available to providers who were unable, for legitimate reasons, to attend its regularly scheduled training.

If you have any questions, please contact my staff at (303) 844-0359.

Ann C. Hector

ANN C. HECTOR
Regional Director
Special Nutrition Programs